

# Show Me the Money!



A Guide on  
several state and  
federal programs  
designed to  
address funding  
options for local  
community  
projects.

Distributed by:  
**State Representative**

**Mike Murphy**

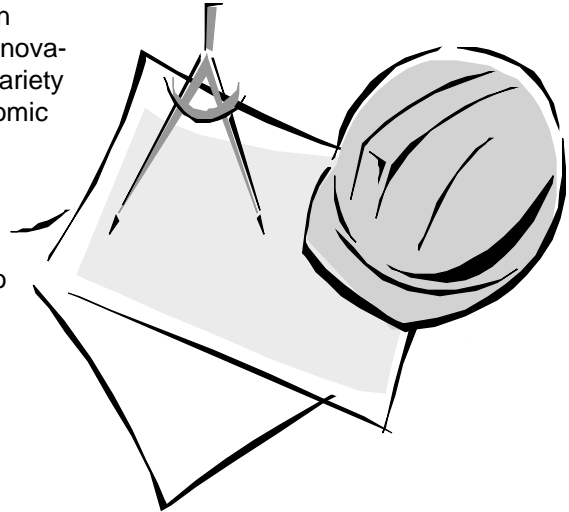
# BUILD INDIANA FUND (BIF)

## PURPOSE

Grant program designed to primarily assist Indiana communities in financing various types of capital projects such as construction, renovation, equipment purchases, etc. The funding can address a wide variety of important needs dealing with infrastructure, public safety, economic development, social services, recreation, etc.

## KEY INFORMATION

- Conditions/Terms:** Grant fund. No local match required. No minimum or maximum grant amount has been established.
- Eligibility:** Any Indiana community, taxing unit, or non-profit corporation.
- Application Process:** Projects must be legislatively authorized (i.e. passed into law). New projects can only be authorized during a legislative session. Consideration of new projects is generally restricted to the state's biennial budget cycle which occurs in odd numbered years.
- Funding Level:** Uncertain. The Build Indiana Fund is funded solely by residual profits from statutorily authorized lottery and gaming activities (e.g. Hoosier Lottery, riverboat casinos, pari-mutual betting, charities). Only funds remaining after all other commitments have been met, if any, flow through to this account. Other major funding commitments from the Build Indiana Fund include: Teacher's Retirement Fund (\$30M/Yr); Local Police & Firefighters Pension Relief (\$30M/Yr); Auto Excise Tax Replacement (\$236M/Yr); and Indiana Technology Fund (\$38M/Yr).



## CONTACT

### For New Project Authorizations:

Contact Your local State Representative or State Senator

### Toll Free:

House -- 1-800-382-9841

Senate -- 1-800-382-9467

# COMMUNITY FOCUS FUND

## PURPOSE

Federally funded grant program designed primarily to address unique needs or health & safety threats, in low to moderate income communities, for which no other financial resources are available.

## KEY INFORMATION

- Conditions/Terms:** 90/10 grant fund. Minimum 10% match from local sources (public or private) required. \$500,000 maximum grant amount. In-kind contributions can be counted as a local match up to 5% of the total project cost, with a maximum of \$25,000.
- Eligibility:** Generally only small cities, incorporated towns and counties of less than 50,000 population qualify. Eligible projects include:  
Environmental Infrastructure (i.e. wastewater treatment, storm sewers, etc.)  
Human Services (i.e. child care centers, senior centers, abuse shelters, etc.)  
Historic Preservation & Downtown Revitalization Fire Protection (i.e. fire stations, fire trucks, etc.)  
Other (i.e. handicap access, sidewalks, parks, etc.)
- Application Process:** Two application review/approval cycles each year. Proposals due late January for Cycle 1 and early July for Cycle 2.
- Funding Level:** Approximately \$25 million per year

## CONTACT

Indiana Department of Commerce  
Community Development Division  
One North Capitol, Suite 600  
Indianapolis, IN 46204-2288

(317) 232-8911  
(800) 824-2476

*The Community Development Division has six (6) field coordinators with responsibility for specific regions of the state.*

North Region	Ed Fansler	574-935-9744
East Central Region	Dan Lake	317-232-8907
West Central Region	Aaron Culp	317-232-7305
Southwest Region	Sarah Long	812-481-2025
Southeast Region	Theresa Brading	812-752-0048
Lake County	Sherylin Freeland-McCrady	219-881-6711

# COMMUNITY FACILITY LOAN PROGRAM

## PURPOSE

Federal loan program designed to assist rural communities in financing the construction, acquisition, or improvement of “essential” community facilities (i.e. clinics, jails, fire stations & equipment, etc.).

## KEY INFORMATION

- Conditions/Terms:** Low interest loan and loan guarantee fund. Three tiered interest rate schedule based on community's ability to pay. Rates vary based on market conditions. Current rates are 4.5%, 4.75%, and 5.0%. Payback term of up to forty (40) years, but may not exceed the useful life of the facility/equipment. No maximum direct or guaranteed loan amount.
- Eligibility:** Only communities of less than 20,000 population qualify. Community must be legally able to incur debt. Projects in an unincorporated town must be either: i) administered through the county or township taxing entity; or ii) create a special taxing district.
- Application Process:** Applications accepted and reviewed continually.
- Funding Level:** Approximately \$4 million per year for direct loans. About \$3.8 million in private loan guarantee each year.

## CONTACT

Greg Delp, Director  
Community & Business Programs  
USDA - Rural Economic & Community Development  
5975 Lakeside Boulevard  
Indianapolis, IN 46278

(317) 290-3109

# Community Development Action Grant (CDAG)

## PURPOSE

Purpose of CDAG is to expand administrative capacity and program development for organizations whose missions include economic development. Investment will be prioritized toward organizations whose focus are areas of economic disadvantage/distress.

## KEY INFORMATION

**Conditions/Terms:** CDAG is a matching grant. It must be matched by funds raised by the organization from sources other than state funds. CDAG funds are awarded on a reimbursement basis. All reimbursement claims must be submitted before the first of day of June 2003. For organizations that serve only one county, the amount of the grant may not exceed one dollar (\$1) for every two dollars (\$2) raised by the organization. Maximum grant cannot exceed \$20,000.

For organizations serving at least two counties, the amount of the grant may not exceed one dollar (\$1) for every one dollar (\$1) raised by the organization. The maximum grant may not exceed \$35,000.

**Eligibility:** The following entities are eligible applicants for the CDAG:

- An Urban Enterprise Association;
- An Economic Development Commission;
- Not-for-profit corporations with economic development purposes;
- A Regional Planning Commission; and
- Other organizations whose purposes include economic development.

Eligible applicants may use CDAG funds to offset expenses for salaries, office and other facilities, strategic plan development, and professional services.

**Application Process:** Prior to submission of the final application, the applicant should submit a letter of intent. This letter of intent will allow the Indiana Dept. of Commerce (IDOC) field staff an opportunity to provide necessary technical assistance to the applicant organization.

**Funding Level:** IDOC distributes \$1.5 million of CDAG funds every biennium.

## CONTACT

ATTN: CDAG Program  
Indiana Department of Commerce  
Community Development Division  
One North Capitol, Suite 600  
Indianapolis, IN 46204-2288

(317) 232-8911  
(800) 824-2476

# STATE DRINKING WATER & WASTEWATER REVOLVING LOAN FUND

## PURPOSE

Federally-subsidized loan fund designed to assist any Indiana community in financing the construction or improvement of wastewater and drinking water systems.

## KEY INFORMATION

- Conditions/Terms:** Leveraged, low interest loan fund. Three tiered interest rate schedule based on community's ability to pay (measured as median household income compared to the state average). Rates vary based on market conditions. Current rates are between 2.9% and 4.5%. Payback term of up to twenty (20) years plus the time to construct.
- No maximum loan amount.
- Eligibility:** Any Indiana community, if project is financed by property taxes or user fees. If tax funded, the community must be legally able to incur debt. Projects in an unincorporated town must be either: i) administered through the county or township taxing entity; or ii) create a special taxing district (i.e. water district, etc.). For drinking water projects only, loans may be made to not-for-profit or profit drinking water utilities.
- Application Process:** Applications accepted and reviewed continually.
- Funding Level:** Program is structured to provide states with the flexibility to meet the foreseeable demand. To date, no Indiana community has been denied assistance due to lack of loanable SRF resources.

## CONTACT

Rich Emery  
Indiana State Budget Agency  
Indiana Statehouse, Room 212  
Indianapolis, IN 46204

(317) 232-0759



# COMMUNITY FOCUS FUND

## Planning Grant

### PURPOSE

Administered by the Indiana Department of Commerce and funded with federal Community Development Block Grant (CDBG) dollars. It is designed to assist in the funding of feasibility plans for future projects that benefit low to moderate income communities. Goal is to identify needs/issues, explore options in addressing them, and determine the best course of action.

### KEY INFORMATION

**Conditions/Terms:** The maximum award amount cannot exceed \$50,000, and there is a required local match of 10% of the total project cost. In-kind contributions do not count toward the local match requirement.

**Eligibility:** Generally only small cities, incorporated towns and counties of less than 50,000 population qualify. Typical eligible planning activities include feasibility studies, preliminary engineering reports, project plans, redevelopment plans, environmental reviews and assessments, and site control, for issues such as infrastructure in support of affordable housing, land use, economic development, downtown revitalization, wetlands management, utilities, and historic preservation. Costs associated with data gathering, studies, analysis, preparation of plans, and the identification of actions to implement such plans are eligible for reimbursement.

The project must be an eligible activity under the CDBG program.

**Application Process:** Applications are accepted monthly with a deadline on the last business day of each month. Letters of intent must be filed at least one month prior to the application deadline to allow the Community Development staff to conduct a site visit prior to completion of the application. Professional services for the planning study must be obtained prior to submitting an application.

At the time of application, a city or town cannot have more than one Community Focus Fund (CFF) or Planning Grant, and a county cannot have more than two open CFF's and/or Planning Grants.

**Funding Level:** Approximately \$2 million is available for each fiscal year.

### CONTACT

Indiana Department of Commerce  
Community Development Division  
One North Capitol, Suite 600  
Indianapolis, IN 46204-2288

(317) 232-8911  
(800) 824-2476

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North Region	Ed Fansler	574-935-9744
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West Central Region	Aaron Culp	317-232-7305
Southwest Region	Sarah Long	812-481-2025
Southeast Region	Theresa Brading	812-752-0048

# FIREFIGHTING & EMERGENCY EQUIPMENT REVOLVING LOAN FUND

## PURPOSE

To assist Indiana communities in financing the acquisition of needed fire protection and emergency response equipment when other conventional financing alternatives are not available or are cost prohibitive. *Similar to the Fire Safety Equipment Revolving Loan Fund.*

## KEY INFORMATION

**Conditions/Terms:** Low interest loan fund. Interest rate as much as 2% below prime rate (set by State Board of Finance). Payback term can be up to seven (7) years, and must be repaid in installments. Interest only payments allowed for up to two (2) years.

Maximum loan amount is \$150,000 to any single borrower. Minimum loan amount of \$10,000.

**Eligibility:** Volunteer fire departments and any governmental unit that contracts with a volunteer Fire Department. Other eligibility standards and prioritizing criteria have not yet been established.

**Application Process:** To be determined

**Funding Level:** \$5 million



## CONTACT

Mara Snyder, Director of Special Projects  
Indiana State Fire Marshal  
402 W. Washington Street, Room E241  
Indianapolis, IN 46204

(317) 233-5341  
(800) 666-7784



# FIRE SAFETY EQUIPMENT REVOLVING LOAN FUND

## PURPOSE

To assist Indiana communities in financing the acquisition of needed fire protection and safety equipment when other conventional financing alternatives are not available or are cost prohibitive. *Similar to the Firefighting & Emergency Equipment Revolving Loan Fund.*

## KEY INFORMATION

**Conditions/Terms:** Subsidized loan fund. Borrowers are required to pay back only one-half ( $\frac{1}{2}$ ) of the loan. No interest charges. Payback term can be up to five (5) years.

Maximum loan amount is 75% of the cost of the equipment acquired. Borrowing community must pay at least 25% of cost from local sources (public or private).

**Eligibility:** Any Indiana community. Community must be legally able to incur debt. Projects in an unincorporated town must be either: i) administered through the county or township taxing entity; or ii) create a special taxing district.

The legislation that created the fund identified twenty (20) projects to be given priority consideration.

**Application Process:** Applications accepted and reviewed continually.

**Funding Level:** Varies per year

## CONTACT

David Dukes, Assistant Director  
Indiana State Budget Agency  
212 State House  
Indianapolis, IN 46204

(317) 232-2974



# NEIGHBORHOOD ASSISTANCE PROGRAM (NAP)

## PURPOSE

The Neighborhood Assistance Program (NAP) offers tax credits for distribution by not-for-profit corporations to build public-private partnerships for neighborhood-based programs and projects in economically disadvantaged areas. The program is designed to benefit targeted populations in socioeconomic distress within these areas.

## KEY INFORMATION

- Conditions/Terms:** Tax credit against Indiana tax liability for one-half ( $\frac{1}{2}$ ) of the amount donated, up to a maximum credit of \$25,000.
- Eligibility:** Not-for-profit corporation must have a tax-exempt, 501(c) ruling from the Internal Revenue Service, a not-for-profit ruling from the Indiana Department of Revenue, and a good standing with the Indiana Secretary of State and submit a letter of intent with the Department of Commerce by mid January of the year assistance is requested.
- Eligible projects include: low and moderate income housing projects; counseling services, day care, emergency assistance, housing facilities, job training, medical care, and recreational facilities for the economically disadvantaged; and downtown rehabilitation and neighborhood commercial revitalization.
- Application Process:** Applicants may contribute up to \$50,000, but not less than \$100 of tax credits. Only one request per state fiscal year. Applications are due by May 3, and awards are announced in July.
- Funding Level:** The Indiana Department of Commerce may award only \$2.5 million in NAP credits annually.

## CONTACT

Indiana Department of Commerce  
Community Development Division  
Neighborhood Assistance Program  
One North Capital, Suite 600  
Indianapolis, IN 46204-2288

(317)232-8911  
(800)824-2476



# VOLUNTEER FIRE ASSISTANCE PROGRAM

## PURPOSE

Federal grant program designed to assist in training and equipping rural fire departments.

## KEY INFORMATION

**Conditions/Terms:** 50/50 grant fund. Community must pay at least 50% of cost from local sources (public, private, or in-kind).

Maximum grant amount is \$5,000.

**Eligibility:** Geared towards communities with populations less than 10,000 population qualify. Grants to be used for training costs or protective equipment. Funds may **not** be used for buildings, fire trucks, or EMS equipment (i.e. Jaws of Life, etc.).

**Application Process:** March 1 annual submission deadline.

**Funding Level:** Varies per year



## CONTACT

Crystal M. Hunt  
Fire Protection Headquarters  
Indiana Department of Natural Resources  
6220 Forest Road  
Martinsville, IN 46151

(765) 342-4701

# COPS in SCHOOLS

## PURPOSE

Provide assistance for local law enforcement agencies to hire additional community policing officers to work in schools in order to help combat school violence.

## KEY INFORMATION

- Conditions/Terms:** The newly hired officers must be deployed into primary or secondary schools to engage in community policing activities, or the agency may elect to deploy a locally-funded veteran officer into the schools and hire an entry-level replacement for the vacated position. Maximum grant is \$125,000 per officer over the three-year grant term.
- Eligibility:** Law enforcement agencies.
- Application Process:** Deadline is mid May for priority funding; and mid June for secondary consideration.
- Funding Level:** Total funding level undisclosed.

## CONTACT

Justice Department Response Center  
(800)421-6770  
[www.usdoj.gov/cops](http://www.usdoj.gov/cops)

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# COPS Universal Hiring Program

## PURPOSE

Provide direct grant funding to help law enforcement agencies hire community policing officers.

## KEY INFORMATION

- Conditions/Terms:** Provides 75% of the salaries and benefits for new entry-level officers for three years, up to a maximum of \$75,000 per officer. Newly hired police officers under this program must be retained, after the conclusion of the federal funding, for at least one full local budget cycle using state, local or other non-COPS funds.
- Eligibility:** Law enforcement agencies. By law, half of the funds are granted to jurisdictions with populations less than 150,000.
- Application Process:** Deadline is mid May for priority funding; and mid June for secondary consideration.
- Funding Level:** Total funding level undisclosed.

## CONTACT

Justice Department Response Center  
(800)421-6770  
[www.usdoj.gov/cops/gpa](http://www.usdoj.gov/cops/gpa)

# TRANSPORTATION ENHANCEMENT PROGRAM



## PURPOSE

Federally funded grant program designed to fund non-traditional transportation-related projects. Many of the “qualified activities” eligible for funding under this program are projects in which local communities might be interested.

## KEY INFORMATION

**Conditions/Terms:** 80/20 grant fund. Minimum 20% match, except in unusual circumstances, from local sources (public or private). Cash matching funds must be public funds. Public or private donations of real property may also be used as match. All projects must be endorsed by a civil unit of government with taxing authority.

\$500,000 maximum grant amount.

**Eligibility:** Any Indiana community. Citizen groups and private, not-for-profit corporations are encouraged to participate, but must do so in cooperation with local government officials.

The federal law which established this program identified twelve (12) qualified activities. The qualified activities of greatest interest to local communities are:

Pedestrian and Bicycle Facilities  
Scenic/Historic Easements (*transportation-related*)  
Historic Preservation (*transportation-related*)  
Preservation/Conversion of Abandoned Railway Corridors

**Application Process:** May 15 annual submission deadline. For projects in urban areas, applications must be submitted through the local Metropolitan Planning Organization. For projects in rural communities, applicants should work with their regional INDOT district office.

**Funding Level:** Approximately \$18 million per year.

## CONTACT

Mike Helton, Manager  
Transportation Programming Section  
Indiana Department of Transportation  
100 N. Senate Avenue, Room N901  
Indianapolis, IN 46204

(317) 232-5224

# Water and Waste Loan and Grant Program

## PURPOSE

Federally funded program designed to provide loan and grant funds for water and waste projects serving the most financially needy communities.

## KEY INFORMATION

**Conditions/Terms:** Low interest loan and loan guarantee fund. Three-tiered interest rate schedule based on community's ability to pay. Rates vary based on market conditions. Current rates are 4.5%, 4.75% and 5.0%. Payback term of up to forty (40) years, but may not exceed the useful life of the facility/equipment. No maximum direct or guaranteed loan amount.

All facilities financed shall be for public use. Loan and grant funds may not be used to finance facilities that are not modest in size, design, and cost.

**Eligibility:** Any area not in a city or town with a population in excess of 10,000 inhabitants. Applicants must be unable to finance the proposed project from their own resources or through commercial credit at reasonable rates and terms. Applicant must demonstrate that they possess the financial, technical and managerial capability necessary to own and operate a utility system.

**Application Process:** Applications are accepted and reviewed continually.

**Funding Level:** Approximately \$20 million per year for direct loans. Approximately \$11 million per year for grants and \$1.5 million in private loan guarantees each year.

## CONTACT

Greg Delp  
Community & Business Programs  
USDA -- Rural Economic & Community Development  
5975 Lakeside Boulevard  
Indianapolis, IN 46278

(317) 290-3109